



Department of Justice

**United States Attorney Joseph H. Hogsett
Southern District of Indiana**

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INDIANAPOLIS-AREA HIGH PROFILE FINANCIER RECEIVES 10 YEAR SENTENCE FOR SECURITIES FRAUD

Hedge fund manager defrauded victims out of more than \$7 million

PRESS RELEASE

INDIANAPOLIS – Keenan R. Hauke, age 41, of Fishers, was sentenced to 121 months (10 years, 1 month) in prison this morning by U.S. District Judge Tanya Walton Pratt. This follows Hauke's guilty plea to charges of securities fraud in connection with his role as owner and CEO of Samex Capital, a Fishers-based company. In December 2011, United States Attorney Joseph H. Hogsett announced the filing of an information that alleged that Hauke had defrauded more than five dozen victims of over \$7 million from 2004-2011.

"Today we mark the conclusion of yet another prosecution in this office's ongoing effort to combat a culture of corruption in Indiana," Hogsett said. "Although there are lives that have been changed forever by one man's submission to selfishness and greed, I hope that today's sentencing can bring some justice to those wronged by Mr. Hauke. Successful prosecutions such as these are critical if we are to once again restore faith in our financial industry."

"I am pleased to learn that Keenan Hauke will be held accountable for his criminal conduct. This case provides another example that securities fraud will not be tolerated in Indiana. I commend U.S. Attorney Hogsett and his office for their efforts in working with us and achieving justice," said Indiana Secretary of State Connie Lawson. "I also thank the Indiana Securities Division team for their quick actions in stopping the illegal flow of money to Hauke through the Asset Freeze and Receivership."

Court documents indicate that in 1999, Hauke founded Samex Capital in Fishers, allegedly forming a hedge fund and soliciting investors. As owner and CEO, Hauke procured millions of dollars in investment funds beginning in 1999. Hauke has admitted that between 2004 and 2011, he engaged in a scheme to defraud these investors.

All told, sixty-seven investors lost more than \$7 million as a result of the scheme, in which Hauke failed to invest money he was given as promised, falsely reporting to investors that the fund was resulting in high rates of returns in an effort to dissuade them from closing their investment accounts. New investor money was used to pay those who did choose to close their account. As part of the scheme, Hauke misappropriated and converted investor funds to his own benefit without the knowledge or authorization of the investors.

In April, 2011, a former employee became suspicious of Hauke and resigned from Samex Capital. That employee informed a number of investors that their investments may have not been secure, an allegation that was denied by Hauke at the time. Shortly thereafter, the fraudulent scheme was reported to the public, and Hauke's personal accounts were frozen.

According to Assistant U.S. Attorneys Steven D. DeBrot and Nicholas E. Surmacz, who prosecuted the case for the government, Hauke was ordered to pay restitution of \$7,132,820.12 as well as serve 5 years of supervised release upon his release from prison. This case was brought with assistance from the Indiana Securities Division.

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